

Regent Theatre Trust Board

Report for the half year ended 31 December 2016

Executive summary

The Regent on Broadway continues to live up to the reputation as the premier entertainment centre of the city. In this first half of the new reporting year the theatre has hosted a substantial and diverse range of events from top class ballet with the Royal New Zealand Ballet production of "Giselle" and the Imperial Russian Ballet with a production of "The Nutcracker" through to the hilarious Naked Samoans and the popular 7 Days Live Team. Other great entertainment came to us by way of the world famous "Postmodern Jukebox" production with their unique brand of music and the popular UK production "Beyond the Barricade" which featured popular song from the great musicals. Irish dance and a mix of magical illusion featured on the Regent stage with the outstanding production "Celtic Illusion" and Palmerston North audiences were once again able to enjoy one of the favourite musicals of all time with the touring production of "Grease". Our young patrons were not left out and were entertained with the crazy antics of the "Trash Test Dummies" with their mix of buffoonery and clever acrobatics plus the wonders of science with New Zealand's own "Nano Girl". The very young were also not left out with a return of rock stars for the pre-schoolers "The Wiggles".

In respect to events in the Auditorium there has been a marked improvement on last year's totals with 120 live nights recorded for this half year reporting period. This is an increase of 15% on our last year and an increase of 6% on the previous year. This understandably has had an impact on attendances with an 8% increase on last year and a 3% increase on the previous year.

Forward bookings are positive with an excellent range of events being proposed. If all events that are currently pencil bookings are confirmed, the final programme of shows for this reporting year could result in a record year of entertainment.

What's been happening?

A brief glance at the list below indicates that for this half year period there were an excellent variety of shows for the young to the young at heart and in between, plus good use of the theatre for end of year awards ceremonies and Dance School productions:

July

Smokefree Rock Quest

College St School Concert

Chamber Music NZ – Suyeon Kang

Ali Harper presents Doris Day

NZ Highland Dance Championships

Miss Manawatu

Manawatu Multicultural Concert

Pasifika Fusion 2016

Hipnotize Bellydance: Mid-Winter Hafila 2016

Brethren Church Conference

The Wiggles

A Wedding Ceremony

August

Cats (12 performances)

September

DanceNZmade: Interschool Regionals

New Zealand Symphony Orchestra

Somerset Kindy: Bride of the Year

PN Chinese Students Concert

St Peters College Arts Evening

Capital E Children's Theatre - Hinepau

Hokowhitu School Concert

Post Modern Juke Box Production

Royal New Zealand Ballet – Giselle

Northern Cluster Schools Concert

DanceNZmade: National Competitions

Menopause the Musical

Wellington G&S – The Merry Widow

Beyond The Barricades

October

DanceNZmade: Dance Exchange

State Highway 48. The musical

C3 Church

Performing Arts Competitions 2016

P N Girls High School: Sports Awards

Ali Harper – Legendary Divas

Trash Test Dummies

The Gruffalo

Chamber Music NZ – London Conchord Ensemble

Dean McKerras School Dance Production: 2 Perf

November

Awatapu College Awards Ceremony

P N Girls High School Awards Ceremony

Manawatu Regional Kapa Haka Festival

Central Normal School Arts Showcase

Manawatu Digi Awards

The Laughing Samoans: Island Time

St Mary's School End of Year Ceremony

Manukura School Awards Ceremony

The Nutcracker Ballet: Imperial Russian Ballet

Celtic Illusion

ABBAsolutley

Massey University Graduations

Grease. The musical

December

7 Days Live

Maureen Ax School of Dance: 2 Perf

Freyberg High School Senior Awards

P N Intermediate Normal Awards Ceremony

Ross Intermediate School Awards Ceremony

Milson School End of Year Ceremony

Te Kura Kaupapa Maori O Manawatu Primary School Awards Ceremony

Winchester School End of Year Ceremony

Whakarongo School End of Year Ceremony

St Peters College End of Year Ceremony

DanceWorks: 2 performances

Freyberg High School Junior Awards Ceremony

Nano Girl: Live on Stage

As demonstrated in the above list, the theatre is being well utilised with a good balance of shows and events. We have experienced considerable use from our local hirers with 88% of all events held in the theatre coming from the local community.

Our local dance schools are an important community user who have presented 7 productions so far this period and are responsible for 15.3% of all attendances for this half year.

Working with our Friends

Contributions made by the Friends of the Regent over the years have provided the theatre with significant resources which has maintained the theatres ability to give excellent service to its hirers. Contributions to the Theatre in the last financial year and this reporting period have been lower than in previous years due to The Friends holding funds in reserve to finance the foyer expansion project. The Friends have agreed to contribute \$70,000.00 to this project. The Friends are very much an integral part of theatre operations, providing skilled ushering and front of house services. Patrons and hirers of the Regent on Broadway are able to enjoy a well-resourced theatre thanks to the generosity of the Friends of the Regent. We are indebted to the Friends for their valuable support.

Co-operation with community events.

The theatre continues to support local theatre groups. The Trust expects again to be supporting the Abbey Musical Theatre in August this year with a production that is yet to be decided. The Trust has also been instrumental in producing a production in April in support of Arahonui Hospice. This is to be 7 performances of the Broadway hit musical "A Chorus Line" which was a huge success in the 1970's and the longest running show on Broadway until being pipped at the post by the Andrew Lloyd Webber phenomenon of "Cats" and his other productions. Both the April and August productions are

being made possible through the financial support of the Trust's entrepreneurial account, Regent on Broadway Promotions.

The Board's commitment to ensure that the theatre remains accessible to our community hirers continues. This is achieved primarily through the theatre's supportive community pricing rates. Community use remains strong and excellent relations continue with our local hirers and promoters. The standard of events being presented by our community hirers is extremely innovative and professional, largely due to the state-of-the-art equipment the venue is able to provide and the high level of skill, advice and assistance given by Regent theatre staff. The Regent on Broadway Management and Trust Board see the contribution to these productions as a vital investment in the development of the performing arts in our city.

Although it is reported that 88% of all events held are from our community hirers, there has been no attrition of commercial shows or available dates for commercial shows due to community use.

Theatre use and patronage.

Following are statistical trends for this half year reporting period and the last 4 years.

Summary of patronage (monitors number of people coming to the Theatre):

Half year ended 31 December	Total
This half year (31 December 2016)	59,670
Last half year (31 December 2015)	54,919
Prior half year (31 December 2014)	58,007
Three years ago (31 December 2013)	58,095
Four years ago (31 December 2012)	51,424

Summary of live nights (monitors use of the auditorium):

Half year ended 31 December	Total
This half year (31 December 2016)	120
Last half year (31 December 2015)	104
Prior half year (31 December 2014)	113
Three years ago (31 December 2013)	134
Four years ago (31 December 2013)	106

Summary of events (monitors total use of the theatre):

Half year ended 31 December	Total
This half year (31 December 2016)	219
Last half year (31 December 2015)	223
Prior half year (31 December 2014)	273
Three years ago (31 December 2013)	287
Four years ago (31 December 2012)	247

Regent on Broadway Auditorium Occupancy Statistics - by total days

Based upon 308 operational days per year

(Approximately 57 dark days for annual leave, maintenance and the traditional seasonal dark days)

2015 - 2016 Year Statistics

Half Year totals

Total days auditorium usage 104

Total days auditorium is availab 154

Professional event: 17 16.3% Professional events 17 11.0% 0.72 Events per week 3.14 Events per month

Community events 87 83.7% Community events 87 56.5% 3.69 Events per week 16.05 Events per month

Available days 50 32.5% 19.19 Total Events per month

Full Year totals

Total days auditorium usage 162

Total days auditorium is availab 308

Professional event: 35 21.6% Professional events 35 11.4% 0.74 Events per week 3.23 Events per month

Community events 127 78.4% Community events 127 41.2% 2.69 Events per week 11.71 Events per month

Available days 146 47.4% 14.93 Total Events per month

2016 - 2017 Year Statistics

Half Year totals

Total days auditorium usage 120

Total days auditorium is availab 154

Professional event: 26 21.7% Professional events 26 16.9% 1.10 Events per week 4.80 Events per month

Community events 94 78.3% Community events 94 61.0% 3.99 Events per week 17.34 Events per month

Available days 34 22.1% 22.14 Total Events per month

Full Year totals

Total days auditorium usage 0

Total days auditorium is availab 308

Professional event: 0 0.0% Professional events 0 0.0% 0.00 Events per week 0.00 Events per month

Community events 0 0.0% Community events 0 0.0% 0.00 Events per week 0.00 Events per month

Available days 308 100.0% 0.00 Total Events per month

Financial Position.

The financial performance for this half year period is positive with an overall surplus before depreciation of \$83,901. This higher than normal surplus is partially due to good ticket sales to the Cats production in August and all ticketed events in the months of September, October and November, and also due to the non-replacement of a budgeted for staff member. At this point in the operational year we endeavour to be in a reasonably robust financial position so as to cover expenses during the periods of least income, being the months of January, February and the beginning of March. Average monthly expenses to cover basic operational costs over the year are approximately \$35,000 per month.

As mentioned, theatre hireage income for January and February will be low due to the traditional festive and holiday season shut down period and the historical lack of available events for those months. The commercial sector is more focused on large outdoor venues during this time such as wineries and large estates. These venues are available at low cost plus the capacities are much greater which understandably will generate better returns from ticket sales. Lack of activity during this time is also a factor with community hirers as local groups, schools, and other like institutions have no need for a large capacity venue until further into the academic or business year. The theatre is not encumbered this year by the International Arts Festival which occurs in Wellington from February to May every two years and which had a significant impact on the commercial sector considering bringing shows to Palmerston North during that period last year.

As already mentioned, bookings for commercial events in the latter half of the calendar year are positive. Bookings from our local community hirers remain constant throughout the year. The budget forecast for year end is a deficit for theatre operations of (\$21,248) before depreciation.

The following table summarises our financial position for this half year period:

	2015-16 Half year Actual	2016-17 Half year Budget	2016-17 Half year Actual
Income from hire and cost recoveries	321,238	320,053	344,295
Expenses	393,803	437,808	368,275
Surplus (Deficit) before Council grant	(72,565)	(117,755)	(23,980)
Operating Grant from Council	118,261	107,881	107,881
Surplus/(deficit) after Council Grant	\$45,696	(\$9,874)	\$83,901

The above summary is exclusive of depreciation. Depreciation for this half year period is budgeted at \$40,000.

The outlook

The Regent Theatre Trust Board and Management continue to invest in future shows through Regent on Broadway Promotions. We are working closely with all New Zealand promoters and theatre companies plus maintaining good relations with many international promotional companies. The number and quality of shows for the remainder of the 2016 – 2017 year looks to be excellent with variety that will appeal to all sections of our community.

Regent Theatre Trust Inc
Performance outcomes for Key Performance Indicators.

Reporting period 2016/2017: Half year results.

The outcome that the Regent Theatre Trust Board is seeking to achieve:

To develop, promote, enhance and maintain the Regent on Broadway as an active civic amenity for use by the community, community groups and as a world-class 1400 seat heritage auditorium as a venue for live performances, community events, graduations and the performing arts, attracting international, national and local performances.

	2016/17 full year KPI's	Half year result To Dec 2015	Half year result To Dec 2016
Attendances			
Percentage attendance's to commercial events in respect to total attendances: Not less than	30%	26.78%	34.37%
Percentage attendance's to community events in respect to total attendances: Not less than	60%	73.22%	65.63%
Total attendances over year for all events: No less than	100,000	54,919	59,670
Increase subscriber numbers of data base: Not less than	5%	No Data Available	No Data Available
Events			
Live nights at full commercial rates: Not less than	40	17	26
Auditorium hireage from commercial use: Not less than	55%	40.55%	51%
Cultural Festivals, concerts and ceremonies; days of use: No less than	4	2	4
Use of auditorium for school prize-givings; days of use: No less than	8	11	12
Tertiary Graduations; days of use: No less than	10	4	3
Accommodating community generated requests to hire: minimum %	95%	100%	99%
Partnership programme with local theatre groups: Least number of events	1	1	1
Partnership programme with professional groups: Least number of events	1	2	3
Usage of Regency Room; number of functions: No less than	35	23	12
Usage of the Rehearsal Room; days of use: No less than	100	112	87
Total live nights for the year: No less than	160	104	120
Financial			
Additional capex funding from the Friends of the Regent and other external providers of charity funding: no less than	\$40k	No Data Available	No Data Available
Communitrak Survey			
The 2 yearly Communitrak survey for visitor satisfaction: Not less than	90%	No survey has been conducted for this reporting period	No survey has been conducted for this reporting period

Regent Theatre Trust Financial outcome.

Theatre Operations.

Report for half year performance to Dec 2016	Forecast Budget for year ending June 2017		Forecast Budget for half year to December 2016		Actual Outcome for half year to December 2016		Actual Outcome for half year to December 2015	
<u>Income: Theatre Operations</u>								
Theatre Operations								
Commissions	3,000		1,636		2,311		1,330	
Advertising recoveries	33,000		18,000		5,761		7,795	
Interest	6,000		3,000		2,756		3,659	
Other room hire	14,000		7,636		7,415		7,588	
Other Recoveries and Hireage	226,500		123,545		134,816		123,757	
Sundry	200		100		61		-	
Theatre hireage	190,000	472,700	103,636	257,553	117,108	270,228	108,533	252,662
EventTicketingCentre		125,000		62,500		74,067		68,576
Operating Grant from PNCC		215,760		107,881		107,881		118,261
Total Income		813,460		427,934		452,176		439,499
<u>Expenditure: Theatre Operations</u>								
Theatre Operations								
Total Audit	19,500		12,010		12,010		19,465	
Total Accounting	8,000		7,448		7,448		7,987	
Total Insurance	12,000		-		-		92,903	
Total general operating costs	94,500		45,123		37,875		-	
Total Recoverables	167,700		91,473		93,047		47,569	
Total marketing	50,000		28,000		13,276		20,620	
Total office expenses	10,050		5,025		4,291		3,197	
Total personnel costs incl FOH Casuals	329,985	691,735	177,243	366,322	151,245	319,192	148,372	340,114
EventTicketingCentre								
Operating Costs	18,000		9,000		11,532		10,041	
Marketing	13,530		6,765		5,240		5,679	
Personnel (salaries)	80,942		40,471		31,601		28,162	
Retail/Admin premises lease and rates	-	112,473	-	56,236	-	48,373	6,696	50,579
Audience Development								
Personnel	24,500		12,250		-		-	
Promotion and Marketing	5,000		2,500		-		-	
Website upgrade - Stage 2	1,000		500		710		480	
Showroom premises lease and rates	-	30,500	-	15,250	-	710	2,631	3,111
Total Expenditure		834,708		437,808		368,275		393,803
Operations Surplus (Deficit)		(21,248)		(9,874)		83,901		45,696
Depreciation (principally donated assets)		80,000		40,000		40,000		40,000
Surplus (Deficit) after depreciation for Theatre Operations		(101,248)		(49,874)		43,901		5,696
<u>Other Income (Not included in annual budget)</u>								
Donations: Friends of the Regent (Donated Assets)						174		130
Regent on Broadway Promotions:						6,988		29,969
TOTAL Surplus (Deficit) Regent Theatre Trust.						51,062		35,795

Regent on Broadway

Balance Sheet

Financial period July 1st 2016 - December 31st 2016

ASSETS

Current Assets

Chequing/Savings

Current account	58,187.27
04 On-Call Account	72,261.61
Term Deposit Tktek - No 19	17,386.55
Term Deposit - No 20	81,614.84
Term Deposit - No 23	64,328.85
Term Deposit - No 25	80,000.00
03 Ticketek Account	13,892.86

Total Chequing/Savings 387,671.98

Accounts Receivable

Accounts Receivable	8,447.77
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Total Accounts Receivable 8,447.77

Other Current Assets

Seeding funding for PNOS	32,692.76
Accounts Receivable - Other	66.1
Accrued Interest	762.05
Prepayments	7,752.15

Total Other Current Assets 41,273.06

Total Current Assets 437,392.81

Fixed Assets

Fixed Assets

51 Broadway	35,518.02
Accumulated Depreciation	-1,387,003.06
Assets at cost	972,824.90
CentrePort Bar ventilation	1,443.23
Other	3,923.00

Purchase of Assets

Friends purchases	122,818.12
Purchase of Assets - Other	308,743.01

Total Purchase of Assets 431,561.13

Reg Rm tech upgrade 1,609.19

Retail Development

Data Installation	5,774.43
Electrical	2,085.23
Security	56.97
Retail Development - Other	94,458.98

Total Retail Development 102,375.61

Sale of Fixed Assets	-6,896.40
Stage Sound upgrade	1,150.31
Understairs storage	2,125.57
Fixed Assets - Other	<u>69,918.86</u>
Total Fixed Assets	<u>228,550.36</u>
Total Fixed Assets	<u>228,550.36</u>
TOTAL ASSETS	<u>665,943.17</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	<u>45,910.69</u>
Total Accounts Payable	45,910.69
Other Current Liabilities	
Audit and Accounting Accrual	16,823.00
GST Tax Payable	6,061.98
Holiday Pay Accrual	24,637.21
Income in Advance	9,613.04
Paye Payable	7,611.06
Ticketek funds	531
Wages Payable	<u>14,952.27</u>
Total Other Current Liabilities	<u>80,229.56</u>
Total Current Liabilities	<u>126,140.25</u>
Total Liabilities	126,140.25
Equity	
Maintenance Reserve	150,000.00
Piano Fund Equity	46,623.89
Regent on Broadway Promotions	91,405.00
Retained Earnings	200,711.90
Net Income	<u>51,062.13</u>
Total Equity	<u>539,802.92</u>
TOTAL LIABILITIES & EQUITY	<u>665,943.17</u>